

**JOHN STAURULAKIS, INC. (JSI)
Revisions to Access Tariff F.C.C No. 1
Transmittal No. 102
September 2, 2004**

**Local Number Portability (LNP) End User Service
PINELAND TELEPHONE COOPERATIVE, INC. (GA)
FRN #0001-8566-73**

DESCRIPTION AND JUSTIFICATION

1. INTRODUCTION

John Staurulakis, Inc. (JSI), on behalf of its client Pineland Telephone Cooperative, Inc. (Pineland), hereby proposes to modify John Staurulakis, Inc. Tariff F.C.C. No. 1 to reflect the addition of Local Number Portability (LNP) End User Charges for Pineland. Pineland has received a bona fide request for number portability. Pineland is an incumbent local exchange carrier (ILEC) operating in rural, southeastern Georgia and is an issuing carrier for JSI Tariff F.C.C. No. 1. The LNP End User services provided by Pineland are consistent with Section 13.15.1 LNP End User Service, of JSI Tariff F.C.C. No. 1.

2. LNP DEMAND, COST AND RATE DEVELOPMENT

The demand for LNP capable access lines and queried calls were projected over five years. Pineland currently does not have demand for ISDN-PRI lines, however an ISDN-PRI End User Charge has been calculated for Pineland at five times the End User Charge. Pineland does currently have demand for PBX, for which the End User Charge has been calculated at nine times the End User Charge.

Costs provided by Pineland include switch upgrade investments required to support wireline and wireless (intramodal and intermodal) LNP capability, and projected ongoing expenses over five years. LNP End User Charges were set to equate the present value of revenues to the present value of cost outlays. Present values of total costs were obtained using a discount factor of 15.21%, which is the after-tax cost of money (11.25%) grossed up for the tax rate (35%). This gross-up is only applied to the equity portion of the cost of money implicit in the FCC prescribed unitary rate of return.

Rate development for the LNP End User Charges for the company are detailed in Exhibit 1A. (See Exhibit 1A attached.)

JSI Transmittal No. 102
Pineland Telephone Cooperative, Inc.

The Company has removed costs attributable to default queries based on the ratio of default queries to total queries. Because the default query charge resulting from the apportionment of costs is *de minimis*, Pineland is not filing a default query charge at this time.

Investment totaled \$121,120, comprising the following:

		Total	End User
Exhibit 1B, Line 2.a	LNP Digital Switch Upgrade Software	\$120,000	\$114,444
Exhibit 1B, Line 2.b	Vendor Translation Work at Installation	\$ 7,000	\$ 6,676
	Total Nonrecurring Expenses	\$127,000	\$121,120

The costs above represent installation of software in three DMS 10 host offices.

Expenses at startup total \$8,774 comprising the following:

		Total	End User
Exhibit 1B, Line 2.g	Internal Training	\$ 3,000	\$ 2,861
Exhibit 1B, Line 2.i	Tariff Development and Filing	\$ 1,200	\$ 1,144
Exhibit 1B, Line 2.o	Testing and Maintenance at Startup	\$ 5,000	\$ 4,769
	Total Expenses at Startup	\$ 9,200	\$ 8,774

Recurring expenses range from \$7,467 to \$7,825 per year and comprise the following:

		Total		End User	
Exhibit 1B, Line 2.n	Yearly Contract Fee with LNP Service Order Administrator (SOA) - JSI	\$ 1,000	\$ 1,000	\$ 954	\$ 954
Exhibit 1B, Line 2.o	Yearly Query Charges	\$ 6,827	\$ 7,201	\$ 6,513	\$ 6,871
	Total Recurring Expenses	\$ 7,827	\$ 8,201	\$ 7,467	\$ 7,825

Query expenses are only for queries necessary to complete local and Extended Area Service (EAS) calls originated from the company's end users. End user query expenses were obtained by multiplying query projections by the per query rate, paid by Pineland to its query provider, BellSouth. Yearly query charges are projected to increase as more lines port to other service providers.

Demand and costs used to develop LNP End User Charges for the company are detailed in Exhibit 1B (See Exhibit 1B attached.)